

Finance and Administration Cabinet STANDARD PROCEDURE	PAGE: 1 OF 2
ISSUED BY: Office of Administrative Services, Division of Human Resources	
EFFECTIVE DATE: 4/20/05	
PROCEDURE # 2.11	
SUBJECT: Employee Recognition Award	
DISTRIBUTION CODE: A,B,C	CONTACT: Director, Division of Human Resources (502) 564-7233

I. PURPOSE

The Commonwealth has established an Employee Recognition Award (ERA) program to acknowledge excellence in employee job performance. The award is in the form of a lump sum payment of up to five (5) percent of midpoint of the employee's pay grade. State agencies are permitted to participate in the program on a discretionary basis. The Finance and Administration Cabinet (Cabinet) shall participate in the program if, on an annual basis, sufficient funds exist.

II. PROCEDURE

A. Cabinet Participation

During the first month each fiscal year, the Secretary of the Cabinet shall determine if sufficient funds are available to award ERAs. If it is determined that there are not sufficient funds to award ERAs, the Cabinet shall issue a memorandum to managers and supervisors advising them of that decision.

B. Eligibility

To be recommended for an ERA, an employee shall meet the criteria and limitations as specified in 101 KAR 2:034 Section 10 if a classified employee or 101 KAR 3:045 Section 7 if an unclassified employee.

An ERA may be approved by the appointing authority if:

- it has been determined that there are sufficient funds to finance the awards; and
- the employee's acts or ideas have resulted in significant financial savings or improvements in services to the Commonwealth and its citizens; or
- the employee has exhibited distinguished performance during participation in special projects that have had a significant beneficial impact on the department or governmental operations.

NOTE: The employee is not eligible for an ERA if an act or idea has been approved or submitted for consideration as an Employee Suggestion System award.

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C. Process

1. An employee's direct manager or supervisor shall be responsible for recommending the employee and suggesting the amount for an ERA award. The recommendation shall be submitted on a Personnel Action Request (7. Forms - 2.12/a). A written memorandum shall be attached to the PAR justifying in detail all reasons for recommending the employee for the award.
2. The PAR shall be reviewed and approved by all appropriate levels of management prior to submitting to the Executive Director, Office of Administrative Services.
3. The Executive Director, Office of Administrative Services shall review the recommendation to insure employee eligibility; if the employee is determined eligible, the recommendation shall be submitted to the Secretary of the Cabinet for final review and approval.
4. The Secretary of the Cabinet shall have final authority to approve an award and the amount of the award.
5. The Commissioner of the department from which the recommendation originated shall be advised in writing of the Secretary's final decision.
6. The Commissioner shall be responsible for advising the manager or supervisor making the initial recommendation of the Secretary's decision.

III. REFERENCES

[101 KAR 2:034 Section 10](#)

[101 KAR 3:045 Section 6](#)

IV. FORMS

[Personnel Action Request \(7. Forms – 2.12/a\)](#)

NO STANDARD PROCEDURE MAY BE REVISED BY ADDENDUM, MEMORANDUM OR ANY OTHER MEANS OTHER THAN THOSE SET OUT IN STANDARD PROCEDURE # 1.1 ENTITLED "FINANCE AND ADMINISTRATION CABINET PROCEDURES AND MANUAL."

DISTRIBUTION CODES:

A. Senior Management	B. Division Directors	C. Branch Managers/Supervisors
D. Cabinet Personnel	E. Division Personnel	F. Branch Personnel G. Attached Agencies
